
Northern Inyo County Local Hospital District

# Board of Directors Regular Meeting

## Wednesday January 19, 2011; 5:30pm

*Board Room*
*Northern Inyo Hospital*

# *DRAFT AGENDA*

## NORTHERN INYO COUNTY LOCAL HOSPITAL DISTRICT
## BOARD OF DIRECTORS MEETING
### January 19, 2011 at 5:30 P.M.
***In the Board Room at Northern Inyo Hospital***

1. Call to Order (at 5:30 P.M.).
2. Opportunity for members of the public to comment on any items on this Agenda.
3. Approval of minutes of the December 8 2010 regular meeting.
4. Financial and Statistical Reports for the month of November 2010; John Halfen.
5. Administrator's Report; John Halfen.
   - A. Building Update
   - B. Security Report
   - C. Orthopedic services
   - D. Physician Recruiting
   - E. February Meeting (Doug Buchanan)
   - F. Other
6. Chief of Staff Report; Helena Black, M.D..
   - A. Policy and procedure approval (*action item)*:
     1. *Requests Regarding Resuscitative Measures*, and *Physician Orders for Life Sustaining Treatment (POLST)*
   - B. Other
7. Old Business

   - None -
8. New Business
   - A. ACHD Statement of Director Duties and Responsibilities
   - B. Hospitalist program and contracts (*action item*).
   - C. Active Shooter policy and procedure (*action item*).
9. Reports from Board members on items of interest.
10. Opportunity for members of the public to comment on any items on this Agenda, and/or on any items of interest.
11. Adjournment to closed session to:
    - A. Hear reports on the hospital quality assurance activities, and hear a report from the Medical Staff Executive Committee (Section 32155 of the Health and Safety Code, and Government Code Section 54962).

B. Confer with legal counsel regarding action filed by John Nesson M.D. against Northern Inyo County Local Hospital District and other Defendants (Government Code Section 54956.9(a)).

C. Confer with legal counsel regarding action filed by Stephen Johnson and Elizabeth Monahan-Johnson against Northern Inyo County Local Hospital District and other Defendants (Government Code Section 54956.9(a)).

D. Conduct CEO Annual Performance Evaluation (Government Code Section 54957).

12. Return to open session, and report of any action taken in closed session.
13. Opportunity for members of the public to address the Board of Directors on items of interest.
14. Adjournment.

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| CALL TO ORDER | The meeting was called to order at 5:30 p.m. by John Ungersma, M.D., Vice President. |
| PRESENT | John Ungersma, M.D., Vice President<br>M.C. Hubbard, Secretary<br>Denise Hayden, Treasurer<br>D. Scott Clark, M.D., Director |
| ALSO PRESENT | John Halfen, Administrator<br>Helena Black, M.D. Chief of Staff<br>Douglas Buchanan District Legal Counsel<br>Sandy Blumberg, Administration Secretary |
| ABSENT | Peter Watercott, President |
| ALSO PRESENT FOR RELEVANT PORTION(S) | Dianne Shirley, R.N., Performance Improvement Coordinator |
| PUBLIC COMMENTS ON AGENDA | Doctor Ungersma asked if any members of the public wished to address the Board on any items listed on the agenda for this meeting. Mrs. Mary Franke was present to thank the Board for their kindness following the passing of her husband, Lou Franke, who attended Board meetings for years and showed a unique interest in the Northern Inyo County Local Hospital District. Mrs. Franke also voiced her support of the possible hiring of Physical Therapist Chris Matteson, who she feels would be a tremendous asset to the hospital and great addition to the Northern Inyo Hospital (NIH) staff. Mr. Rex Allen was also present to voice his support of the possible hiring of Mr. Matteson.<br><br>Asao Kamei, M.D. was present to introduce James Englesby, M.D., a new internist working in the Kamei and Hathaway office. Dr. Englesby is now accepting new patients and is expected to be a tremendous help to the internal medicine practice. Dr. Kamei also expressed his wish that the hospital keep a Physical Therapy office open in the Pioneer Medical Associates building for the convenience of patients who are seen there. |
| MINUTES | The minutes of the October 20 2010 regular meeting were approved. |
| FINANCIAL AND STATISTICAL REPORTS | Mr. Halfen called attention to the financial and statistical reports for the month of September 2010. He noted the statement of operations shows a bottom line excess of expenses over revenues of $2,772. Mr. Halfen additionally called attention to the following:<br>- *Inpatient and outpatient service revenue were both under budget*<br>- *Total expenses were under budget*<br>- *Salaries and wages expense was under budget, and employee benefits expense was over budget* |

- *Professional Fees Expense was over budget*
- *The Balance Sheet showed no significant change*
- *Total net assets have increased during the fiscal year*
- *Year-to-date net income totals $1,070,953*

Mr. Halfen noted that all patient service revenue was down for the month and total net assets declined slightly due to the fact that some cash equivalents have become a depreciable asset with the construction of the new hospital building. Following review of the information provided it was moved by M.C. Hubbard, seconded by Denise Hayden, and passed to approve the financial and statistical reports for the month of September as presented.

ADMINISTRATOR'S REPORT

BUILDING UPDATE

John Hawes with Turner Construction Company reported the building project is progressing well and framing and electric work is currently underway on both floors. The roofs are now 95% in, and plaster prep has begun. The building has been wrapped to maintain temperature control and to help ensure that work progresses on schedule during the inclement winter months. Challenges have arisen but have been successfully dealt with partially by working extra hours and weekends when necessary. Mr. Hawes also commented that the project will progress quickly enough for windows and plaster work to be underway by April.

SECURITY REPORTS

Mr. Halfen reported the monthly Security report shows no significant security issues.

DIRECT DEPOSIT

Mr. Halfen additionally reported upon further investigation into the issue management has found the hospital cannot make direct deposit of employee paychecks mandatory, and paper paychecks must be provided for employees who prefer to be paid in that manner.

CHIEF OF STAFF REPORT

REAPPOINTMENTS AND REPRIVILEGING

Chief of Staff Helena Black, M.D. reported the Medical Executive Committee recommends the reappointment to the NIH Medical Staff of the following current Medical Staff members with requested privileges, for the period not to exceed January 1, 2011 through December 31, 2012, in the Staff category noted:

- Karen G. Aderholdt, MD; Consulting Medical Staff (Radiology)
- Lara Jeanine Arndal, MD; Active Medical Staff (OB/Gyn)
- Thomas J. Boo, MD; Active Medical Staff (Family Medicine)
- Tomi L. Bortolazzo, MD; Active Medical Staff (Urology)
- Kimberly J. Burkholz, MD; Consulting Medical Staff (Tele-Radiology)
- Karen S. Caldemeyer, MD, Consulting Medical Staff (Tele-Radiology)
- Steven M. Cohen, MD; Consulting Medical Staff (Tele-Radiology)

- John Daniel Cowan, MD; Active Medical Staff (Anesthesia)
- Robbin Cromer-Tyler, MD; Active Medical Staff (General Surgery)
- Mark. C. Davis, MD; Consulting Medical Staff (Tele-Radiology)
- Charlotte C. Helvie, MD; Active Medical Staff (Pediatrics)
- Charles S. Henry, MD; Consulting Medical Staff (Tele-Radiology)
- Heidi K. Henry, MD; Consulting Medical Staff (Tele-Radiology)
- Susan A. Klein, MD; Consulting Medical Staff (Tele-Radiology)
- Kevin M. McDonnell, MD; Consulting Medical Staff (Tele-Radiology)
- Leslie S. Miller, MD; Consulting Medical Staff (Tele-Radiology)
- Raymond Montecalvo, MD; Consulting Medical Staff (Tele-Radiology)
- Mark H. Paul, MD; Consulting Medical Staff (Tele-Radiology)
- Shailendri E. Philip, M.D.; Consulting Medical Staff (Tele-Radiology)
- Bruce I Reiner, M.D.; Consulting Medical Staff (Tele-Radiology)
- Mark. K. Robinson, MD; Active Medical Staff (Orthopaedics)
- Ronald S. Sonken, M.D.; Consulting Medical Staff (Tele-Radiology)
- Stuart Souders, MD; Consulting Medical Staff (Radiology)
- Mark T. Takaki, MD; Consulting Medical Staff (Tele-Radiology)
- Maria Toczek, M.D.; Consulting Medical Staff (Neurology)
- Richard L. Toothman, MD; Consulting Medical Staff (Tele-Radiology)
- Jennie G. Walker, M.D.; Active Medical Staff (Emergency Medicine)
- Edric B. Willes, MD; Consulting Medical Staff (Tele-Radiology)
- William L. Zinn, MD; Consulting Medical Staff (Tele-Radiology)
- Jeffrey G. Zorn, MD; Consulting Medical Staff (Tele-Radiology)

It was moved by D. Scott Clark, MD, seconded by Ms. Hubbard, and passed to approve the list of Medical Staff privileges as recommended by the Medical Staff Exective Committee.

POLICY & PROCEDURE APPROVALS

Doctor Black also reported following careful review and consideration the Medical Executive Committee recommends approval of the following hospital wide policies and procedures:

1. *Erythropoietin Stimulating Agents (Procrit, Aranesp) Administration*
2. *NIH Medical Staff Peer Review Policy & Procedure*
3. *Delegation of Services Agreement*
4. *Compliance with The Joint Commission Standard MS 01.01.01*

Following review of the policies and procedures it was moved by Doctor Clark, seconded by Ms. Hayden, and passed to approve policies 1 through 3 with the fourth policy, *Compliance with The Joint Commission Standard MS 01.01.*01 being deferred for approval at a future meeting.

ADDITIONAL

Doctor Black also reported the Medical Staff Executive Committee

PRIVILEGES & ALLIED HEALTH PROFESSIONAL PRIVILEGES

recommends granting of additional privileges to current NIH Medical Staff members Stacy Brown, MD and Keith Shonnard, MD; and renewal of privileges for Allied Health Professionals Tracy Drew, RN, FNP; Mara Yolken, RN, FNP, and Lois Alexander, RN, FNP. The Committee also recommends granting of requested privileges to Allied Health Professional Brett Davis, PA, currently employed to provide services at the NIH Rural Health Clinic on an interim basis with review on or before June 8, 2011. It was moved by Doctor Clark, seconded by Ms. Hayden, and passed to approve the additional privileges for Doctors Brown and Shonnard; as well as the requested privileges for the Allied Health Professionals.

OLD BUSINESS

PIONEER MEDICAL ASSOCIATES PARTNERSHIP INTEREST PURCHASE

Mr. Halfen reported that the possible purchase of a Pioneer Medical Associates partnership interest purchase will be tabled for discussion at a future meeting, due to the fact that changes to the proposed agreement have been requested by the seller.

CONSTRUCTION CHANGE ORDERS

Kathy Sherry with Turner Construction Company presented the following construction change order requests for the review and consideration of the District Board:

- COR #69, Headwall changes; $40,709
- COR #75, Code required for Janitor closet, etc.; $24,253
- COR #79, Air Handling Unit curbs and equipment seismic work; $25,426
- COR #84, Air Handling Unit curbs and equipment seismic work; $25,426
- COR #88, Revisions to ED; $23,786
- COR #89, Fire Department Connection; $29,069
- COR#91, Revisions to HVAC ductwork; $38,965
- COR #92, Revised Surgery layout; -$14,641
- COR #93, Revisions to Registration; $28,067
- COR #95, New Generator Electrical Engineering time; $23,012
- COR #96, Casework Revisions; $140,282

The change orders are largely a result of design changes from the original architect's plan, plus additional improvements determined to be beneficial for the new hospital building. Ms. Sherry noted the cost of these changes has already been incorporated into the financial forecast that Mr. Halfen provided for members of the Board. Following review of the proposed changes it was moved by Doctor Clark, seconded by Ms. Hayden, and passed to approve all 11 change order requests as recommended.

TURNER CONSTRUCTION DONATION TO NIH FOUNDATION

Rick Casa, Project Executive with Turner Construction Company informed the Board that Turner hosted a Thanksgiving barbeque for NIH employees and trade employees working on the hospital rebuild project. Turner also held a raffle to benefit the NIH Foundation, which raised

$1,700 for that organization. NIH Foundation President Maggie Egan thanked Mr. Casa for Turner's support of the efforts and mission of the NIH Foundation.

EKG CONTRACT RENEWALS

Mr. Halfen called attention to renewal agreements for the Electrocardiographic Department (EKG) services of Vasuki Sittampalam, M.D.; James Richardson M.D.; and Nickoline Hathaway, M.D. The proposed agreements constitute an extension of the existing EKG agreements for each physician with no changes being made except to the term. It was moved by Ms. Hayden, seconded by Doctor Clark, and passed to approve the EKG services agreements for all three doctors as requested.

PAYROLL POLICIES

Mr. Halfen addressed the subject of changing the hospital employee pay date from every other Thursday to every other Friday. The original reason for the Thursday pay date involved an effort to accommodate employees with a variety of different shift schedules. Due to the implementation of automated payment options, this practice is no longer required and for a variety of reasons a Friday pay recurrence would be better business for the hospital. Following brief discussion it was moved by Ms. Hubbard, seconded by Doctor Clark, and passed to approve a change to a Friday pay recurrence, with Ms. Hayden abstaining from the vote. Mr. Halfen additionally noted that while direct deposit cannot be made mandatory for hospital employees, incentives may be offered to employees who choose to change to this form of pay.

HEMATOLOGY ANALYZER PURCHASE

Laboratory Manager Leon Freis called attention to a request to purchase a new Hematology Analyzer for the Lab. Mr. Freis stated the current machine has required maintenance 109 times between 11/14/08 and 11/14/10; and a crisis point has been reached where the current machine must be replaced immediately. The five-year cost for the new equipment is estimated to be $69,302. It was moved by Doctor Clark, seconded by Ms. Hubbard, and passed to approve the purchase of the new hematology analyzer equipment as requested.

FINAL MCKESSON CONTRACT

Mr. Halfen reported discussion of the McKesson contract for the hospital's new Hospital Information System (HIS) is not necessary, due to the fact that it does not appear that any substantiative changes need to be made to the agreement at this time.

BOARD OFFICER ANNUAL ELECTIONS

Doctor Ungersma informed the Board that new District Board officers are due to be elected for the 2011 calendar year. It was suggested that the current slate of officers be continued during the upcoming year, and Doctor Ungersma informed the Board he has spoken to Board President Peter Watercott who will consent to maintaining the current slate if that is the wish of the other members of the Board. Current Board officers are as follows: President, Peter Watercott; Vice President, John Ungersma,

M.D.; Secretary, M.C. Hubbard; Treasurer, Denise Hayden, and Member at Large, D. Scott Clark, M.D.. It was moved by Ms. Hubbard, seconded by Doctor Clark, and passed to approve continuing with the present slate of Board Officers for the 2011 calendar year.

PENRAD MAMMOGRAPHY SOFTWARE

Radiology Director Patty Dickson called attention to a proposal to purchase PenRad Mammography System Software to inform patients of mammography test results in a timely and efficient manner. The hospital's current process lacks efficiency and is a potential liability, and the PenRad system would provide considerably improved services and save a significant of money on transcription fees. Following review of the information provided it was moved by Doctor Clark, seconded by Ms. Hayden, and passed to approve the purchase of the PenRad Mammography System Software as requested.

BOARD MEMBER REPORTS

Doctor Ungersma asked if any members of the Board of Directors wished to report on any items of interest. He then mentioned he received information from the Association of California Healthcare Districts (ACHD) regarding new duties and responsibilities of elected officials, and that this subject should be placed on the agenda for the regular January meeting of the District Board. No other reports were heard.

OPPORTUNITY FOR PUBLIC COMMENT

In keeping with the Brown Act, Doctor Ungersma again asked if any members of the public wished to comment on any items listed on the agenda for this meeting, or on any items of interest. James Englesby MD who had been introduced earlier in this meeting commented he is happy to be practicing medicine in this area, and he looks forward to helping the Kamei and Hathaway internal medicine practice as much as possible.

CLOSED SESSION

At 6:58 p.m. Doctor Ungersma announced the meeting was being adjourned to closed session to allow the Board of Directors to:

A. Hear reports on the hospital quality assurance activities, and hear a report from the Medical Staff Executive Committee (Section 32155 of the Health and Safety Code, and Government Code Section 54962).
B. Confer with legal counsel regarding action filed by John Nesson M.D. against Northern Inyo County Local Hospital District and other Defendants (Government Code Section 54956.9(a)).
C. Confer with legal counsel regarding action filed by Stephen Johnson and Elizabeth Monahan-Johnson against Northern Inyo County Local Hospital District and other Defendants (Government Code Section 54956.9(a)).

RETURN TO OPEN SESSION AND REPORT OF ACTION TAKEN

At 7:48 p.m. the meeting returned to open session. Doctor Ungersma asked for a motion from the Board to specifically approve the hiring of Brett Davis, P.A. to see patients at the NIH Rural Health Clinic. It was moved by Ms. Hubbard, seconded by Ms. Hayden, and passed to approve

the hiring of Brett Davis, P.A. to work at the Rural Health Clinic. Doctor Ungersma additionally reported that the Board took no reportable action.

ADJOURNMENT

The meeting was adjourned at 7:50 p.m..

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John Ungersma, M.D., Vice President

Attest:

_____
M.C. Hubbard, Secretary

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BUDGET VARIANCE ANALYSIS

Nov-10 PERIOD ENDING

In the month, NIH was

| | | | |
|---|---|---|---|
| | | -29% | under budget in IP days; |
| | ( | -0.29% ) | under in IP Revenue and |
| | ( | -9.9% ) | under in OP Revenue resulting in |
| $ (1,285,699) | ( | -16.9% ) | under in gross patient revenue from budget & |
| $ (326,747) | ( | -7.0% ) | under in net patient revenue from budget |

Total Expenses were:

| | | | |
|---|---|---|---|
| $ (287,952) | ( | -6.3% ) | under budget. Wages and Salaries were |
| $ (42,606) | ( | -2.7% ) | under budget and Employee Benefits |
| $ (109,324) | ( | -11.0% ) | under budget. |
| $ 50,562 | | | of other income resulted in a net loss of |
| $ 185,276 | $ (12,146) | | under budget. |

The following expense areas were over budget for the month:

| | | |
|---|---|---|
| $ 8,853 | 3% | Professional Fees |
| $ 37,363 | 13% | Depreciation Expense |
| $ 31,043 | 30% | Interest Expense |

Other Information:

| | |
|---|---|
| 34.27% | Contractual Percentages for month |
| 38.64% | Contractual Percentages for Year |
| $ 992,580 | Year-to-date Net Revenue |

Special Notes:

Prior Period Adjustment on Income Statement is Tentative 2010 Medicare being recognized monthly for the rest of the fiscal year.

# NORTHERN INYO HOSPITAL

**Balance Sheet**

***November 30, 2010***

| | *Current Month* | *Prior Month* | *FYE 2010* |
|---|---|---|---|
| **Current assets:** | | | |
| Cash and cash equivalents | 8,737,493 | 60,469 | 5,736 |
| **Short-term investments** | 19,642,091 | 25,690,531 | 30,262,716 |
| Assets limited as to use | 2,075,781 | 1,912,713 | 5,587,596 |
| Plant Expansion and Replacement Cash | 602 | 5,474 | 2,099,904 |
| Other Investments (Partnership) | 971,107 | 971,107 | 971,107 |
| Patient receivable, less allowance for doubtful accounts $537,808 | 8,167,495 | 8,973,195 | 7,953,621 |
| Other receivables (Includes GE Financing Funds) | 4,148,784 | 2,709,258 | 424,259 |
| Inventories | 2,377,931 | 2,385,836 | 2,378,072 |
| Prepaid expenses | 1,186,283 | 1,240,993 | 1,143,283 |
| **Total current assets** | 47,307,566 | 43,949,577 | 50,826,294 |
| **Assets limited as to use:** | | | |
| Internally designated for capital acquisitions | 749,822 | 749,760 | 745,008 |
| Specific purpose assets | 252,316 | 416,364 | 966,724 |
| | 1,002,138 | 1,166,124 | 1,711,732 |
| **Revenue bond construction funds held by trustee** | 3,743,798 | 5,528,133 | 7,541,783 |
| Less amounts required to meet current obligations | 2,073,241 | 1,910,173 | 5,587,596 |
| **Net Assets limited as to use:** | 2,672,695 | 4,784,083 | 3,665,918 |
| **Long-term investments** | 2,824,834 | 2,824,834 | 2,824,834 |
| **Property and equipment, net of accumulated depreciation and amortization** | 54,993,650 | 53,125,599 | 47,655,595 |
| **Unamortized bond costs** | 989,453 | 994,080 | 1,012,587 |
| **Total assets** | 108,788,197 | 105,678,174 | 105,985,228 |

# NORTHERN INYO HOSPITAL

**Balance Sheet**

***November 30, 2010***

***Liabilities and net assets***

| | *Current Month* | *Prior Month* | *FYE 2010* |
|---|---|---|---|
| **Current liabilities:** | | | |
| Current maturities of long-term debt | 663,756 | 726,172 | 1,188,561 |
| Accounts payable | 747,927 | 890,944 | 952,032 |
| Accrued salaries, wages and benefits | 3,295,767 | 3,215,301 | 3,275,053 |
| Accrued interest and sales tax | 695,177 | 526,487 | 560,578 |
| Deferred income | 346,250 | 388,815 | 48,296 |
| Due to third-party payors | 5,423,526 | 2,346,608 | 2,616,629 |
| Due to specific purpose funds | - | - | - |
| **Total current liabilities** | 11,172,403 | 8,094,326 | 8,641,148 |
| | | | |
| **Long-term debt, less current maturities** | 49,020,816 | 49,020,816 | 49,020,816 |
| Bond Premium | 1,407,762 | 1,412,105 | 1,429,475 |
| **Total long-term debt** | 50,428,578 | 50,432,921 | 50,450,292 |
| | | | |
| **Net assets:** | | | |
| Unrestricted | 46,934,901 | 46,734,562 | 45,927,064 |
| Temporarily restricted | 252,316 | 416,364 | 966,724 |
| **Total net assets** | 47,187,216 | 47,150,926 | 46,893,788 |
| | | | |
| **Total liabilities and net assets** | 108,788,197 | 105,678,174 | 105,985,228 |

# NORTHERN INYO HOSPITAL

**Statement of Operations**

*As of November 30, 2010*

| | MTD Actual | MTD Budget | MTD Variance $ | MTD Variance % | YTD Actual | YTD Budget | YTD Variance $ | YTD Variance % | Prior YTD |
|---|---|---|---|---|---|---|---|---|---|
| **Unrestricted revenues, gains and other support:** | | | | | | | | | |
| In-patient service revenue: | | | | | | | | | |
| Routine | 421,818 | 634,879 | (213,061) | (33.6) | 2,565,814 | 3,237,887 | (672,073) | (20.8) | 3,054,528 |
| Ancillary | 1,515,505 | 2,104,074 | (588,569) | (28.0) | 8,984,149 | 10,730,799 | (1,746,650) | (16.3) | 10,111,027 |
| Total in-patient service revenue | 1,937,323 | 2,738,953 | (801,630) | (0.29) | 11,549,964 | 13,968,686 | (2,418,722) | -17.3% | 13,165,555 |
| Out-patient service revenue | 4,408,825 | 4,892,894 | (484,069) | (9.9) | 24,000,864 | 24,953,776 | (952,912) | (3.8) | 24,172,897 |
| **Gross patient service revenue** | 6,346,148 | 7,631,847 | (1,285,699) | (16.90) | 35,550,827 | 38,922,462 | (3,371,635) | (8.7) | 37,338,452 |
| **Less deductions from patient service revenue:** | | | | | | | | | |
| Patient service revenue adjustments | 133,456 | 145,324 | 11,868 | 8.2 | 606,314 | 741,155 | 134,841 | 18.2 | 914,576 |
| Contractual adjustments | 2,388,777 | 2,824,832 | 436,055 | 15.4 | 13,283,864 | 14,406,637 | 1,122,773 | 7.8 | 14,071,009 |
| Prior Period Adjustments | (511,029) | - | 511,029 | 100.0 | (1,220,843) | - | 1,220,843 | 100.0 | (392,711) |
| **Total deductions from patient service revenue** | 2,011,204 | 2,970,156 | 958,952 | 32.3 | 12,669,335 | 15,147,792 | 2,478,457 | 16.4 | 14,592,874 |
| **Net patient service revenue** | 4,334,944 | 4,661,691 | (326,747) | -7% | 22,881,492 | 23,774,670 | (893,178) | -4% | 22,745,578 |
| Other revenue | 21,805 | 30,925 | (9,120) | (29.5) | 233,313 | 157,715 | 75,598 | 47.9 | 141,014 |
| Transfers from Restricted Funds for Other Operating Expenses | 80,224 | 78,618 | 1,606 | 2.0 | 401,121 | 400,950 | 171 | 0.0 | 323,330 |
| **Total Other revenue** | 102,029 | 109,543 | (7,514) | (6.9) | 634,433 | 558,665 | 75,768 | 13.6 | 464,344 |
| **Total revenue, gains and other support** | 4,436,973 | 4,771,234 | (334,261) | (7.0) | 23,515,926 | 24,333,335 | (817,409) | 13.6 | 23,209,922 |
| **Expenses:** | | | | | | | | | |
| Salaries and wages | 1,567,797 | 1,610,403 | 42,606 | 2.7 | 7,758,478 | 8,213,049 | 454,571 | 5.5 | 7,524,280 |
| Employee benefits | 887,716 | 997,040 | 109,324 | 11.0 | 4,890,330 | 5,084,914 | 194,585 | 3.8 | 5,041,883 |
| Professional fees | 366,364 | 357,511 | (8,853) | (2.5) | 1,973,505 | 1,823,300 | (150,205) | (8.2) | 2,189,819 |
| Supplies | 488,019 | 555,811 | 67,792 | 12.2 | 2,240,326 | 2,834,651 | 594,325 | 21.0 | 2,650,435 |
| Purchased services | 192,525 | 251,069 | 58,544 | 23.3 | 1,232,679 | 1,280,455 | 47,776 | 3.7 | 1,240,237 |
| Depreciation | 325,034 | 287,671 | (37,363) | (13.0) | 1,634,241 | 1,467,122 | (167,119) | (11.4) | 1,111,848 |
| Interest | 133,721 | 102,678 | (31,043) | (30.2) | 528,652 | 523,656 | (4,996) | (1.0) | 542,185 |
| Bad debts | 163,593 | 216,171 | 52,578 | 24.3 | 1,069,125 | 1,102,473 | 33,348 | 3.0 | 1,031,754 |
| Other | 177,491 | 211,857 | 34,366 | 16.2 | 1,154,306 | 1,080,465 | (73,841) | (6.8) | 1,053,326 |
| **Total expenses** | 4,302,259 | 4,590,211 | 287,952 | 6.3 | 22,481,641 | 23,410,085 | 928,444 | 4.0 | 22,385,767 |
| **Operating income (loss)** | 134,714 | 181,023 | (46,309) | (13.3) | 1,034,285 | 923,250 | 111,035 | 9.6 | 824,155 |
| **Other income:** | | | | | | | | | |
| District tax receipts | 42,565 | 43,112 | (547) | (1.3) | 212,824 | 219,871 | (7,047) | (3.2) | 218,555 |
| Interest | 48,115 | 15,914 | 32,201 | 202.3 | 175,679 | 81,163 | 94,516 | 116.5 | 203,754 |
| Other | 11,413 | 4,797 | 6,616 | 137.9 | 29,372 | 24,462 | 4,910 | 20.1 | 25,203 |
| Grants and Other Non-Restricted Contributions | - | 5,208 | (5,208) | (100.0) | 38,001 | 26,562 | 11,439 | 43.1 | 36,963 |
| Partnership Investment Income | - | - | - | N/A | - | - | - | - | - |
| Net Medical Office Activity | (51,531) | (52,632) | 1,101 | 208.3 | (497,580) | (268,434) | (229,146) | (85.4) | (191,699) |
| **Total other income, net** | 50,562 | 16,399 | 34,163 | 208 | (41,704) | 83,624 | (125,328) | (149.9) | 292,775 |
| **Excess (deficiency) of revenues over expenses** | 185,276 | 197,422 | (12,146) | (6) | 992,580 | 1,006,874 | (14,294) | (1.4) | 1,116,931 |
| Contractual Percentage | 34.27% | 41.75% | | | 38.64% | 41.75% | | | 41.85% |

# NORTHERN INYO HOSPITAL

**Statement of Operations--Statistics**

*As of November 30, 2010*

| | Month Actual | Month Budget | Month Variance | Variance Percentage | YTD Actual | YTD Budget | Year Variance | Year Percentage |
|---|---|---|---|---|---|---|---|---|
| **Operating statistics:** | | | | | | | | |
| Beds | 25 | 25 | N/A | N/A | 25 | 25 | N/A | N/A |
| Patient days | 183 | 258 | (75) | 0.71 | 1,055 | 1,317 | (262) | 0.80 |
| Maximum days per bed capacity | 750 | 750 | N/A | N/A | 3,825 | 3,825 | N/A | N/A |
| Percentage of occupancy | 24.40 | 34.40 | (10.00) | 0.71 | 27.58 | 34.43 | (6.85) | 0.80 |
| Average daily census | 6.10 | 8.60 | (2.50) | 0.71 | 6.90 | 8.61 | (1.71) | 0.80 |
| Average length of stay | 2.86 | 3.15 | (0.29) | 0.91 | 2.92 | 3.14 | (0.22) | 0.93 |
| Discharges | 64 | 82 | (18) | 0.78 | 361 | 419 | (58) | 1 |
| Admissions | 67 | 82 | (15) | 0.82 | 363 | 419 | (56) | 1 |
| Gross profit-revenue depts. | 3,960,887 | 4,994,139 | (1,033,252) | 0.79 | 23,091,367 | 25,470,132 | (2,378,765) | 0.91 |
| **Percent to gross patient service revenue:** | | | | | | | | |
| Deductions from patient service revenue and bad debts | 34.27 | 41.75 | (7.48) | 0.82 | 38.64 | 41.75 | (3.11) | 0.93 |
| Salaries and employee benefits | 38.55 | 34.11 | 4.44 | 1.13 | 35.50 | 34.11 | 1.39 | 1.04 |
| Occupancy expenses | 7.61 | 5.42 | 2.19 | 1.40 | 6.56 | 5.42 | 1.14 | 1.21 |
| General service departments | 6.42 | 5.54 | 0.88 | 1.16 | 6.01 | 5.54 | 0.47 | 1.08 |
| Fiscal services department | 6.24 | 5.11 | 1.13 | 1.22 | 5.62 | 5.11 | 0.51 | 1.10 |
| Administrative departments | 5.23 | 5.11 | 0.12 | 1.02 | 5.30 | 5.11 | 0.19 | 1.04 |
| Operating income (loss) | (0.05) | 0.85 | (0.90) | (0.06) | 0.77 | 0.85 | (0.08) | 0.91 |
| Excess (deficiency) of revenues over expenses | 2.92 | 2.59 | 0.33 | 1.13 | 2.79 | 2.59 | 0.20 | 1.08 |
| **Payroll statistics:** | | | | | | | | |
| Average hourly rate (salaries and benefits) | 41.12 | 46.12 | (5.00) | 0.89 | 43.89 | 47.04 | (3.15) | 0.93 |
| Worked hours | 49,277.68 | 47,764.00 | 1,513.68 | 1.03 | 244,158.43 | 243,578.00 | 580.43 | 1.00 |
| Paid hours | 59,491.88 | 56,447.00 | 3,044.88 | 1.05 | 287,548.85 | 282,235.00 | 5,313.85 | 1.02 |
| Full time equivalents (worked) | 286.50 | 279.32 | 7.18 | 1.03 | 280.00 | 279.01 | 0.99 | 1.00 |
| Full time equivalents (paid) | 345.88 | 330.10 | 15.78 | 1.05 | 329.76 | 323.29 | 6.46 | 1.02 |

# NORTHERN INYO HOSPITAL

## Statements of Changes in Net Assets

*As of November 30, 2010*

| | Month-to-date | Year-to-date |
|---|---|---|
| **Unrestricted net assets:** | | |
| Excess (deficiency) of revenues over expenses | 185,276.48 | 992,580.03 |
| Net Assets due/to transferred from unrestricted | - | (4,557.74) |
| Interest posted twice to Bond & Interest | - | - |
| Net assets released from restrictions used for operations | 15,000.00 | 15,000.00 |
| **Net assets released from restrictions used for payment of long-term debt** | (80,224.16) | (401,120.80) |
| Contributions and interest income | 62.07 | 4,814.26 |
| **Increase in unrestricted net assets** | 120,114.39 | 606,715.75 |
| | | |
| **Temporarily restricted net assets:** | | |
| District tax allocation | - | - |
| Net assets released from restrictions | (164,148.65) | (729,901.49) |
| Restricted contributions | 100.00 | 15,374.00 |
| Interest income | - | 119.23 |
| Net Assets for Long-Term Debt due from County | 80,224.16 | 401,120.80 |
| **Increase (decrease) in temporarily restricted net assets** | (83,824.49) | (313,287.46) |
| | | |
| **Increase (decrease) in net assets** | 36,289.90 | 293,428.29 |
| | | |
| **Net assets, beginning of period** | 47,150,926.43 | 46,893,788.04 |
| | | |
| **Net assets, end of period** | 47,187,216.33 | 47,187,216.33 |

**Northern Inyo Hospital**
**Monthly Report of Capital Expenditures**
**Fiscal Year Ending JUNE 30, 2010**
**As of November 30, 2010**

| MONTH APPROVED BY BOARD | DESCRIPTION OF APPROVED CAPITAL EXPENDITURES | | AMOUNT |
|---|---|---|---|
| FY 2008-09 | Coagulation Analyzer | | 25,000 |
| FY 2009-10 | Platelet Function Analyzer | | 9,000 |
| | Birch Street Probably Cleanup and Improvements | | 271,636 * |
| | PMA-IT Server Room Wiring Project | | 34,625 |
| | MRI Upgrade | | 325,318 * |
| | Nexus VOIP Telephone System | | 958,776 |
| | AMOUNT APPROVED BY THE BOARD IN PRIOR FISCAL YEARS TO BE EXPENDED IN THE CURRENT FISCAL YEAR | | 1,624,355 |
| FY 2010-11 | Back-Up Battery for CT | | 24,923 * |
| | McKesson Paragon Hospital Information System | Capital Fees Only | 2,687,694 |
| | PenRad Mammography Software | | 20,000 |
| | AMOUNT APPROVED BY THE BOARD IN THE CURRENT FISCAL YEAR TO BE EXPENDED IN THE CURRENT FISCAL YEAR | | 2,732,617 |
| | Amount Approved by the Board in Prior Fiscal Years to be Expended in the Current Fiscal Year | | 1,027,401 |
| | Amount Approved by the Board in the Current Fiscal Year to be Expended in the Current Fiscal Year | | 2,732,617 |
| | Year-to-Date Board-Approved Amount to be Expended | | 2,707,694 |
| | Year-to-Date Administrator-Approved Amount | | 128,907 * |
| | Actually Expended in Current Fiscal Year | | 621,877 * |
| | Year-to-Date Completed Building Project Expenditures | | 0 * |
| | TOTAL FUNDS APPROVED TO BE EXPENDED | | 3,458,478 |
| | **Total-to-Date Spent on Incomplete Board Approved Expenditures** | | 580,393 |

**Northern Inyo Hospital**
**Monthly Report of Capital Expenditures**
**Fiscal Year Ending JUNE 30, 2010**
**As of November 30, 2010**

| MONTH APPROVED BY BOARD | DESCRIPTION OF APPROVED CAPITAL EXPENDITURES | AMOUNT |
|---|---|---|

Reconciling Totals:

| | |
|---|---|
| Actually Capitalized in the Current Fiscal Year Total-to-Date | 750,784 |
| Plus: Lease Payments from a Previous Period | 0 |
| Less: Lease Payments Due in the Future | 0 |
| Less: Funds Expended in a Previous Period | 0 |
| Plus: Other Approved Expenditures | 2,707,694 |
| ACTUAL FUNDS APPROVED IN THE CURRENT FISCAL YEAR TOTAL-TO-DATE | 3,458,478 |

| | |
|---|---|
| Donations by Auxiliary | 0 |
| Donations by Hospice of the Owens Valley | 6,753 |
| +Tobacco Funds Used for Purchase | 0 |
| | 0 |
| | 6,753 |

*Completed Purchase
(Note: The budgeted amount for capital expenditures for all priority requests for the fiscal year ending June 30, 2011, is $515,769 coming from existing hospital funds.)

**Completed in prior fiscal year

**Northern Inyo Hospital**
**Monthly Report of Capital Expenditures**
**Fiscal Year Ending JUNE 30, 2010**
**As of November 30, 2010**

| Administrator-Approved Item(s) | Department | Amount | Month Total | Grand Total |
|---|---|---|---|---|
| Conduit for Fiberoptic | INFORMATION TECH | 11,059 | | |
| OMNICELL VIRTUAL SERVER UPGRADE | PHARMACY | 12,590 | | |
| WHATS UP GOLD UPGRADE | INFORMATION TECH | 2,525 | | |
| HP PROLIANT DL380 G6 | INFORMATION TECH | 9,353 | | |
| **MONTH ENDING NOVEMBER 2010** | | | 35,526 | 128,907 |

# Northern Inyo Hospital
## Summary of Cash and Investment Balances
## Calendar Year 2010

| | Operations Checking Account | | | | | Time Deposit Month-End Balances | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Month | Balance at Beginning of Month | Deposits | Disbursements | Balance at End of Month | Investment Operations Fund | Bond and Interest Fund | Equipment Donations Fund | Childrens Fund | Scholarship Fund | Tobacco Settlement Fund | * Total Revenue Bond Funds | General Obligation Bond Fund |
| January | 4,462,389 | 6,137,876 | 6,469,248 | 4,131,017 | 27,112,118 | 796,335 | 26,233 | 2,640 | 17,472 | 632,052 | 750,421 | 2,793,443 |
| February | 4,131,017 | 5,265,638 | 6,258,389 | 3,138,266 | 27,557,615 | 796,335 | 26,233 | 2,640 | 4,472 | 632,076 | 797,897 | 1,941,057 |
| March | 3,138,266 | 6,113,051 | 6,461,223 | 2,790,095 | 28,079,592 | 796,335 | 26,236 | 2,640 | 4,474 | 718,431 | 806,520 | 1,941,078 |
| April | 2,790,095 | 7,447,491 | 9,025,365 | 1,212,221 | 29,980,448 | 410,678 | 26,236 | 2,640 | 4,474 | 718,458 | 10,978,230 | 1,941,094 |
| May | 1,212,221 | 5,617,293 | 7,530,678 | (701,164) | 29,528,268 | 960,093 | 26,236 | 2,640 | 4,574 | 718,486 | 11,025,753 | 1,941,110 |
| June | (701,164) | 10,880,268 | 10,090,323 | 88,781 | 33,086,873 | 960,184 | 26,490 | 2,640 | 3,824 | 718,518 | 7,897,886 | 1,941,127 |
| July | 88,781 | 10,753,454 | 10,191,339 | 650,897 | 32,112,550 | 960,184 | 26,490 | 2,640 | 3,824 | 723,106 | 6,720,131 | 1,941,143 |
| August | 650,897 | 5,605,016 | 5,416,671 | 839,242 | 30,865,987 | 960,184 | 26,590 | 2,814 | 18,924 | 723,138 | 7,183,224 | 1,941,159 |
| September | 839,242 | 29,826,128 | 30,427,218 | 238,152 | 32,060,945 | 960,301 | 26,593 | 2,814 | 18,926 | 723,168 | 5,665,915 | 588 |
| October | 238,152 | 6,928,121 | 6,894,086 | 272,187 | 28,514,689 | 394,548 | 26,593 | 2,814 | 4,026 | 723,197 | 3,963,503 | 593 |
| November | 272,187 | 14,762,394 | 6,195,143 | 8,839,438 | 22,466,248 | 245,400 | 26,593 | 2,814 | 4,026 | 723,230 | 2,160,323 | 593 |
| Prior Year December | 1,674,584 | 9,083,464 | 6,295,659 | 4,462,389 | 26,778,789 | 34,310 | 26,233 | 2,640 | 17,472 | 632,026 | 702,945 | 4,657,307 |

Notes: Revenue Bond Fund includes 2010 Revenue Bond

| Investments as of November 30, 2010 | | | | | | |
|---|---|---|---|---|---|---|
| **Institution** | **Certificate ID** | **Purchase Dt** | **Maturity Dt** | **Principal** | **YTM** | **Broker** |
| LAIF (Walker Fund) | 20-14-002 | 02-Nov-10 | 01-Dec-10 | $318,775 | 45.00% | Northern Inyo Hospital |
| United States Treasure Note-MBS | 912828JV3 | 08-Sep-10 | 31-Dec-10 | $2,004,760 | 0.11% | Multi-Bank Service |
| United States Treasure Note-MBS | 912828JY7 | 08-Sep-10 | 31-Jan-11 | $2,005,920 | 0.12% | Multi-Bank Service |
| Santander Financial Issuances LTD | 802813AE5 | 01-Mar-10 | 15-Feb-11 | $1,049,310 | 1.17% | Multi-Bank Service |
| United States Treasure Note-MBS | 912828KE9 | 08-Sep-10 | 28-Feb-10 | $1,003,594 | 0.12% | Multi-Bank Service |
| United States Treasure Note-MBS | 912828KE9 | 07-Sep-10 | 28-Feb-10 | $1,003,594 | 0.13% | Multi-Bank Service |
| Atlantic Richfield | 048825AV5 | 11-Jun-10 | 01-Mar-11 | $105,400 | 1.57% | Multi-Bank Service |
| United States Treasure Note-MBS | 912828KH2 | 07-Sep-10 | 31-Mar-10 | $2,007,820 | 0.18% | Multi-Bank Service |
| United States Treasure Note-MBS | 912828KL3 | 07-Sep-10 | 30-Apr-10 | $2,008,840 | 0.19% | Multi-Bank Service |
| United States Treasure Note-MBS | 912828KU3 | 03-Sep-10 | 31-May-10 | $2,009,860 | 0.21% | Multi-Bank Service |
| United States Treasure Note-MBS | 912828LF5 | 03-Sep-10 | 30-Jun-10 | $2,014,900 | 0.22% | Multi-Bank Service |
| **Total Short Term Investments** | | | | **$15,532,773** | | |
| United States Treasure Note-MBS | 912828LG3 | 03-Sep-10 | 31-Jul-11 | $1,006,960 | 0.23% | Multi-Bank Service |
| United States Treasure Note-MBS | 912828LG3 | 02-Sep-10 | 31-Jul-11 | $1,006,960 | 0.23% | Multi-Bank Service |
| United States Treasure Note-MBS | 912828LV0 | 02-Sep-10 | 31-Aug-11 | $2,014,460 | 0.27% | Multi-Bank Service |
| United States Treasure Note-MBS | 912828LW8 | 02-Sep-10 | 30-Sep-11 | $1,763,230 | 0.30% | Multi-Bank Service |
| Union National Bank & Trust CO-FNC | 5L27278 | 19-Oct-10 | 19-Oct-11 | $250,000 | 2.00% | Financial Northeaster Corp. |
| Credit Suisse 1st | 22541LAB9 | 02-Feb-10 | 15-Nov-11 | $541,865 | 1.36% | Multi-Bank Service |
| Worlds Foremost Bank (FNC CD) | 5X42688 | 18-Dec-08 | 18-Dec-11 | $100,000 | 4.40% | Financial Northeaster Corp. |
| First Republic Bank-Div of BOFA | 5L28639 | 20-May-10 | 20-May-13 | $150,000 | 2.40% | Financial Northeaster Corp. |
| First Republic Bank-Div of BOFA | 5L26838 | 20-May-10 | 20-May-15 | $100,000 | 3.10% | Financial Northeaster Corp. |
| **Total Long Term Investments** | | | | **$6,933,475** | | |
| **Grand Total Investments** | | | | **$22,466,248** | | |

# Financial Indicators

| | Target | Nov-10 | Oct-10 | Sep-10 | Aug-10 | Jul-10 | Jun-10 | May-10 | Apr-10 | Mar-10 | Feb-10 | Jan-10 | Dec-10 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Current Ratio | >1.5-2.0 | 4.23 | 5.43 | 5.34 | 5.17 | 5.00 | 5.88 | 4.84 | 4.95 | 4.34 | 5.42 | 5.65 | 6.01 |
| Quick Ratio | >1.33-1.5 | 3.54 | 4.65 | 4.72 | 4.62 | 4.45 | 5.43 | 4.22 | 4.32 | 3.78 | 4.87 | 5.09 | 5.45 |
| | | | | | | | | | | | | | |
| Days Cash on Hand | >75 | 284.37 | 241.31 | 272.45 | 303.29 | 277.51 | 335.40 | 233.51 | 230.21 | 217.46 | 322.93 | 293.20 | 315.81 |

NORTHERN INYO HOSPITAL
STATISTICS

| 11 MONTHS | SURGERIES | | | | | | | | | BIRTHS | | | ER | | | | | | OP REFERRALS | | | ADMITS (W/NB) | | | PT DAYS (W/O NB) | | | PT DAYS (W/NB) | | | DISCH (W/NB) | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | IP | | | OP | | | TOTAL | | | | | | ADMITS | | | VISITS | | | | | | | | | | | | | | | | |
| 2010 | 08 | 09 | 10 | 08 | 09 | 10 | 08 | 09 | 10 | 08 | 09 | 10 | 08 | 09 | 10 | 08 | 09 | 10 | 08 | 09 | 10 | 08 | 09 | 10 | 08 | 09 | 10 | 08 | 09 | 10 | 08 | 09 | 10 |
| JANUARY | 33 | 46 | 26 | 106 | 109 | 95 | 139 | 155 | 121 | 16 | 25 | 18 | 48 | 48 | 47 | 573 | 594 | 604 | 3237 | 3241 | 3157 | 107 | 141 | 99 | 329 | 359 | 304 | 364 | 406 | 337 | 96 | 142 | 99 |
| FEBRUARY | 17 | 26 | 15 | 81 | 97 | 82 | 98 | 123 | 97 | 14 | 15 | 13 | 39 | 33 | 25 | 545 | 494 | 487 | 3165 | 2988 | 3066 | 86 | 96 | 81 | 241 | 245 | 209 | 274 | 278 | 235 | 96 | 100 | 83 |
| MARCH | 32 | 24 | 42 | 82 | 116 | 104 | 114 | 140 | 146 | 13 | 22 | 21 | 43 | 38 | 47 | 506 | 542 | 663 | 3285 | 3579 | 3504 | 108 | 124 | 120 | 318 | 296 | 254 | 349 | 338 | 301 | 102 | 127 | 115 |
| APRIL | 35 | 21 | 27 | 120 | 86 | 88 | 155 | 107 | 115 | 14 | 17 | 16 | 61 | 48 | 37 | 558 | 604 | 498 | 3611 | 3424 | 3424 | 112 | 100 | 84 | 307 | 216 | 231 | 338 | 251 | 258 | 118 | 102 | 90 |
| MAY | 41 | 36 | 27 | 110 | 91 | 92 | 151 | 127 | 119 | 27 | 21 | 14 | 68 | 37 | 39 | 594 | 708 | 594 | 3406 | 3258 | 3157 | 128 | 110 | 106 | 316 | 273 | 291 | 376 | 318 | 312 | 126 | 106 | 104 |
| JUNE | 33 | 29 | 20 | 83 | 82 | 97 | 116 | 111 | 117 | 18 | 24 | 14 | 38 | 46 | 33 | 580 | 660 | 756 | 3388 | 3520 | 3352 | 112 | 123 | 80 | 258 | 281 | 194 | 294 | 323 | 215 | 108 | 122 | 78 |
| JULY | 22 | 24 | 24 | 110 | 129 | 77 | 132 | 153 | 101 | 21 | 19 | 11 | 44 | 51 | 28 | 676 | 779 | 690 | 3307 | 3404 | 3345 | 99 | 106 | 77 | 274 | 268 | 206 | 317 | 307 | 225 | 105 | 107 | 81 |
| AUGUST | 33 | 31 | 21 | 114 | 91 | 70 | 147 | 122 | 91 | 20 | 26 | 19 | 52 | 34 | 38 | 642 | 603 | 744 | 3145 | 3319 | 3502 | 114 | 113 | 97 | 305 | 247 | 237 | 345 | 288 | 272 | 113 | 111 | 92 |
| SEPTEMBER | 25 | 29 | 28 | 78 | 92 | 97 | 103 | 121 | 125 | 26 | 16 | 11 | 33 | 40 | 44 | 576 | 684 | 616 | 3299 | 3045 | 3421 | 119 | 100 | 86 | 274 | 245 | 196 | 330 | 278 | 216 | 115 | 100 | 88 |
| OCTOBER | 39 | 25 | 21 | 125 | 85 | 101 | 164 | 110 | 122 | 21 | 15 | 16 | 73 | 39 | 43 | 564 | 638 | 567 | 3527 | 3413 | 3453 | 132 | 97 | 93 | 330 | 264 | 231 | 372 | 294 | 259 | 135 | 104 | 96 |
| NOVEMBER | 30 | 27 | 19 | 73 | 58 | 76 | 103 | 85 | 95 | 21 | 18 | 16 | 36 | 26 | 20 | 394 | 588 | 496 | 2868 | 3183 | 3333 | 103 | 100 | 83 | 252 | 297 | 196 | 291 | 346 | 221 | 100 | 100 | 77 |
| DECEMBER | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| CALENDAR YEAR | 340 | 318 | 270 | 1082 | 1,036 | 979 | 1422 | 1,354 | 1249 | 211 | 218 | 169 | 535 | 440 | 401 | 6208 | 6894 | 6715 | 36238 | 36374 | 36714 | 1220 | 1210 | 1006 | 3204 | 2991 | 2549 | 3650 | 3427 | 2851 | 1214 | 1221 | 1003 |
| MONTHLY AVERAGE | 31 | 29 | 25 | 98 | 94 | 89 | 129 | 123 | 114 | 19 | 20 | 15 | 49 | 40 | 36 | 564 | 627 | 610 | 3,294 | 3,307 | 3,338 | 111 | 110 | 91 | 291 | 272 | 232 | 332 | 312 | 259 | 110 | 111 | 91 |

**NORTHERN INYO HOSPITAL**
**DEPARTMENTAL NON-EMERGENCY OUTPATIENT VISITS**

**Effective April 2010, Radiology Visits include all patient types (OP, IP & ER); this is a change from only Outpatients**

| 11 MONTHS 2010 | DIAGNOSTIC RADIOLOGY | | | MAMMOGRAPHY | | | NUCLEAR MEDICINE | | | ULTRASOUND | | | CT SCANNING | | | MRI | | | LABORATORY | | | EKG / EEG | | | PHYSICAL THERAPY | | | RESPIRATORY THERAPY | | | RURAL HEALTH CLINIC | | | TOTALS | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | 08 | 09 | 10 | 08 | 09 | 10 | 08 | 09 | 10 | 08 | 09 | 10 | 08 | 09 | 10 | 08 | 09 | 10 | 08 | 09 | 10 | 08 | 09 | 10 | 08 | 09 | 10 | 08 | 09 | 10 | 08 | 09 | 10 | 08 | 09 | 10 |
| JANUARY | 544 | 606 | 622 | 193 | 434 | 330 | 71 | 96 | 77 | 205 | 206 | 198 | 170 | 165 | 167 | 89 | 470 | 658 | 1809 | 1635 | 1619 | 103 | 120 | 96 | 335 | 363 | 352 | 10 | 10 | 17 | 1057 | 1457 | 1220 | 4586 | 5562 | 5356 |
| FEBRUARY | 593 | 477 | 542 | 193 | 182 | 313 | 63 | 51 | 51 | 205 | 195 | 201 | 217 | 153 | 147 | 85 | 435 | 456 | 1744 | 1643 | 1522 | 113 | 116 | 114 | 364 | 314 | 376 | 11 | 10 | 15 | 1150 | 1374 | 1254 | 4738 | 4950 | 4991 |
| MARCH | 529 | 581 | 567 | 311 | 261 | 321 | 133 | 1 | 99 | 223 | 201 | 206 | 233 | 152 | 170 | 403 | 472 | 440 | 1774 | 1904 | 1795 | 149 | 121 | 117 | 346 | 428 | 449 | 12 | 13 | 9 | 1211 | 1477 | 1404 | 5324 | 5611 | 5577 |
| APRIL | 697 | 600 | 786 | 199 | 378 | 289 | 183 | 68 | 57 | 196 | 198 | 252 | 264 | 161 | 161 | 453 | 483 | 148 | 1984 | 1824 | 1804 | 121 | 108 | 113 | 410 | 380 | 395 | 14 | 16 | 10 | 1318 | 1423 | 1394 | 5839 | 5639 | 5409 |
| MAY | 613 | 650 | 764 | 479 | 391 | 177 | 167 | 87 | 40 | 213 | 187 | 234 | 230 | 131 | 183 | 424 | 656 | 109 | 1758 | 1811 | 1622 | 137 | 103 | 93 | 349 | 354 | 456 | 9 | 12 | 19 | 1308 | 1373 | 1165 | 5687 | 5755 | 4862 |
| JUNE | 616 | 594 | 632 | 486 | 455 | 199 | 118 | 37 | 42 | 186 | 224 | 220 | 156 | 150 | 158 | 542 | 461 | 100 | 1752 | 1881 | 1707 | 123 | 120 | 104 | 314 | 388 | 401 | 19 | 19 | 14 | 1247 | 1387 | 1346 | 5559 | 5716 | 4923 |
| JULY | 604 | 610 | 732 | 477 | 444 | 205 | 71 | 84 | 45 | 196 | 210 | 253 | 157 | 179 | 179 | 443 | 505 | 111 | 1716 | 1805 | 1589 | 142 | 102 | 118 | 357 | 328 | 423 | 15 | 11 | 17 | 1190 | 1116 | 1123 | 5368 | 5394 | 4795 |
| AUGUST | 561 | 528 | 813 | 402 | 398 | 187 | 86 | 73 | 57 | 190 | 193 | 252 | 150 | 165 | 220 | 542 | 392 | 106 | 1647 | 1779 | 1648 | 145 | 103 | 111 | 325 | 386 | 442 | 11 | 12 | 17 | 1294 | 1071 | 1357 | 5353 | 5100 | 5210 |
| SEPTEMBER | 567 | 505 | 786 | 464 | 402 | 184 | 70 | 113 | 37 | 191 | 200 | 239 | 157 | 61 | 140 | 502 | 360 | 105 | 1822 | 1743 | 1728 | 131 | 116 | 106 | 322 | 363 | 375 | 13 | 11 | 37 | 1288 | 1209 | 1234 | 5527 | 5083 | 4971 |
| OCTOBER | 639 | 546 | 684 | 511 | 434 | 339 | 82 | 88 | 63 | 210 | 176 | 243 | 167 | 155 | 189 | 464 | 423 | 137 | 1793 | 1685 | 1586 | 118 | 112 | 104 | 367 | 413 | 521 | 15 | 12 | 14 | 1422 | 1297 | 1150 | 5788 | 5341 | 5030 |
| NOVEMBER | 541 | 562 | 526 | 398 | 381 | 213 | 62 | 37 | 39 | 168 | 177 | 201 | 161 | 159 | 143 | 378 | 415 | 107 | 1449 | 1651 | 1516 | 86 | 102 | 103 | 311 | 363 | 471 | 9 | 8 | 12 | 1249 | 1151 | 1100 | 4812 | 5006 | 4431 |
| DECEMBER | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| CALENDAR YEAR | 6504 | 6259 | 7454 | 4113 | 4160 | 2757 | ### | 735 | 607 | 2183 | 2167 | 2499 | 2062 | 1631 | 1857 | 4325 | 5072 | 2477 | 19248 | 19361 | 18136 | 1368 | 1223 | 1179 | 3800 | 4080 | 4661 | 138 | 134 | 181 | 13734 | 14335 | 13747 | 58581 | 59157 | 55555 |
| MONTHLY AVERAGES | 591 | 569 | 678 | 374 | 378 | 251 | 101 | 67 | 55 | 198 | 197 | 227 | 187 | 148 | 169 | 393 | 461 | 225 | 1750 | 1760 | 1649 | 124 | 111 | 107 | 345 | 371 | 424 | 13 | 12 | 16 | 1249 | 1303 | 1250 | 5326 | 5378 | 5050 |

*Radiology has changed their methodology for capturing statistics and feel these are more accurate. They are much higher than previously reported.

NORTHERN INYO HOSPITAL

# POLICY AND PROCEDURE ON "REQUESTS REGARDING RESUSCITATIVE MEASURES" AND "PHYSICIAN ORDERS FOR LIFE SUSTAINING TREATMENT" ("POLST")

Introduction:

California law recognizes the right of patients to establish either Advance Health Care Directives ("AHCD") to direct health care providers according to patient wishes, or to establish Durable Powers of Attorney for Health Care ("Durable Powers") to empower an agent for future health care decisions, or both.

California law also recognizes the right of patients with capacity, or surrogate decision-makers, and physicians, to establish legally effective orders, in advance, relating to resuscitative measures in the event of cardiopulmonary arrest.

Effective January 1, 2009, California law permits patients with capacity, or surrogate decision-makers, and physicians to establish advance Physician Orders for Life Sustaining Treatment (POLST Orders) using a standardized form. POLST Orders direct health care providers, in any health care setting, in relation to both resuscitative measures and to other life-sustaining measures, including medical interventions and artificially administered fluids or nutrition.

Policy:

It is the policy of Northern Inyo Hospital and its Medical Staff to honor patient AHCDs and Durable Powers and to comply with legally established orders relating to resuscitative measures and POLST Orders.

Procedure:

At the time of admission, or as soon thereafter as reasonably possible, NIH admissions personnel shall determine whether the patient has an AHCD, a Durable Power, POLST Orders, or any other expressions of intent for future care. The POLST Orders form is attached to this Policy and Procedure as Attachment 1.

Compliance with legally effective orders relating to resuscitative measures and POLST Orders:

The following documents relating to resuscitative measures are recognized as legally effective:

1. A pre-hospital "do not resuscitate" (DNR) form developed by the Emergency Medical Services Authority or other similar form, signed by (A) an individual with capacity, or a legally recognized health care decision-maker, and (B) the

individual's physician, which directs a health care provider regarding resuscitative measures; or

2. A medallion engraved with the words "do not resuscitate" or the letters "DNR," a patient identification number, and a 24-hour toll-free telephone number, issued pursuant to an agreement with the Emergency Medical Services Authority; or

3. A POLST Order form (Attachment 1) signed by a patient with capacity or by a surrogate decision maker and the patient's physician.

Directions relating to cardiopulmonary resuscitation (CPR) contained in any of the above modalities, and other POLST Orders, will be followed, subject to the following:

1. Orders will not be followed if they require medically ineffective health care or health care contrary to generally accepted health care standards applicable to the provider or facility;
2. A physician may conduct an evaluation of the individual and, if possible, in consultation with the individual, or the individual's legally recognized health care decision-maker, issue a new order consistent with the most current information available about the individual's health status and goals of care;
3. The legally recognized health care decision-maker of an individual without capacity shall consult with the physician who is, at that time, the individual's treating physician prior to making a request to modify that individual's POLST Orders;
4. An individual with capacity may, at any time, request alternative treatment to the treatment ordered on the POLST form or on another request regarding resuscitative measures;
5. If the orders in an individual's request regarding resuscitative measures or POLST Orders directly conflict with his or her ADHC, then, to the extent of the conflict, the most recent order or instruction is effective;
6. In the absence of knowledge to the contrary, it shall be presumed that the POLST Order form or other properly executed request regarding resuscitative measures is valid and unrevoked.

Additional guidelines:

1. If the patient has an existing POLST form this shall be placed in the front of the patient's medical record. If the patient does not have a completed and signed POLST Form, the treating physician shall discuss the patient's preferences and medical condition with the patient or his/her decision-maker.
2. The Primary Physician shall explain to the patient that the POLST form does not replace the patient's AHCD, but is designed to reinforce the wishes that a patient expresses in his/her AHCD.
3. The Primary Physician shall complete the POLST form based on medical indications and the patient's preferences. The POLST form must be signed by

the Primary Physician and the patient with capacity or the patient's decision-maker to be valid.

4. Completion of the form by the patient is voluntary, and a patient should never be forced to sign the POLST form.
5. The completed POLST form must be placed in the front of the patient's medical record where it is clearly visible.
6. A good faith effort must be made to ensure that all of the instructions on the POLST form are followed. If any section of the POLST form is incomplete, the patient shall be provided with full treatment for that section.
7. The Primary Physician should periodically review the POLST form when: (i) The patient is transferred from one facility to another; (ii) There is a significant change in the patient's health status; and/or (iii) The patient's treatment preferences change.
8. If a patient revokes a POLST form, the Primary Physician should draw a line through Sections A through D of the POLST form and "VOID" should be written in large letters. This line should then be signed and dated.
9. If the patient is discharged or transferred to another facility, the original POLST form must accompany the patient. A copy of the POLST form must always be kept in the patient's medical record.
10. Disclosure of the POLST form may be made to other healthcare professionals across treatment setting in accordance with HIPAA.

HIPAA PERMITS DISCLOSURE OF POLST TO OTHER HEALTH CARE PROFESSIONALS AS NECESSARY

# Physician Orders for Life-Sustaining Treatment (POLST)

EMSA #111 B
(Effective 1/1/2009)

**First follow these orders, then contact physician.** This is a Physician Order Sheet based on the person's current medical condition and wishes. Any section not completed implies full treatment for that section. Everyone shall be treated with dignity and respect.

| Last Name | |
|---|---|
| First /Middle Name | |
| Date of Birth | Date Form Prepared |

## A — CARDIOPULMONARY RESUSCITATION (CPR): *Person has no pulse and is not breathing.*

Check One

☐ **Attempt Resuscitation/CPR** ☐ **Do Not Attempt Resuscitation/DNR** (Allow Natural Death)
**(Section B: Full Treatment required)**

When not in cardiopulmonary arrest, follow orders in **B** and **C**.

## B — MEDICAL INTERVENTIONS: *Person has pulse and/or is breathing.*

Check One

☐ **Comfort Measures Only** Use medication by any route, positioning, wound care and other measures to relieve pain and suffering. Use oxygen, suction and manual treatment of airway obstruction as needed for comfort. Antibiotics only to promote comfort. ***Transfer*** *if comfort needs cannot be met in current location.*

☐ **Limited Additional Interventions** Includes care described above. Use medical treatment, antibiotics, and IV fluids as indicated. Do not intubate. May use non-invasive positive airway pressure. Generally avoid intensive care.

☐ ***Do Not Transfer to hospital for medical interventions. Transfer*** if comfort needs cannot be met in current location.

☐ **Full Treatment** Includes care described above. Use intubation, advanced airway interventions, mechanical ventilation, and defibrillation/cardioversion as indicated. ***Transfer*** *to hospital if indicated. Includes intensive care.*

**Additional Orders:** _____

_____

## C — ARTIFICIALLY ADMINISTERED NUTRITION: *Offer food by mouth if feasible and desired.*

Check One

☐ No artificial nutrition by tube. ☐ Defined trial period of artificial nutrition by tube.

☐ Long-term artificial nutrition by tube.

**Additional Orders:** _____

## D — SIGNATURES AND SUMMARY OF MEDICAL CONDITION:

**Discussed with:**

☐ Patient ☐ Health Care Decisionmaker ☐ Parent of Minor ☐ Court Appointed Conservator ☐ Other:

**Signature of Physician**

My signature below indicates to the best of my knowledge that these orders are consistent with the person's medical condition and preferences.

| Print Physician Name | Physician Phone Number | Date |
|---|---|---|
| Physician Signature (required) | Physician License # | |

**Signature of Patient, Decisionmaker, Parent of Minor or Conservator**

By signing this form, the legally recognized decisionmaker acknowledges that this request regarding resuscitative measures is consistent with the known desires of, and with the best interest of, the individual who is the subject of the form.

| Signature (required) | Name (print) | Relationship (write self if patient) |
|---|---|---|
| Summary of Medical Condition | Office Use Only | |

SEND FORM WITH PERSON WHENEVER TRANSFERRED OR DISCHARGED

**HIPAA PERMITS DISCLOSURE OF POLST TO OTHER HEALTH CARE PROFESSIONALS AS NECESSARY**

| Patient Name (last, first, middle) | Date of Birth | Gender: M F |
|---|---|---|
| Patient Address | | |

**Contact Information**

| Health Care Decisionmaker | Address | | Phone Number |
|---|---|---|---|
| Health Care Professional Preparing Form | Preparer Title | Phone Number | Date Prepared |

## Directions for Health Care Professional

### Completing POLST

- Must be completed by health care professional based on patient preferences and medical indications.
- POLST must be signed by a physician and the patient/decisionmaker to be valid. Verbal orders are acceptable with follow-up signature by physician in accordance with facility/community policy.
- Certain medical conditions or medical treatments may prohibit a person from residing in a residential care facility for the elderly.
- Use of original form is strongly encouraged. Photocopies and FAXes of signed POLST forms are legal and valid.

### Using POLST

- Any incomplete section of POLST implies full treatment for that section.

**Section A:**

- No defibrillator (including automated external defibrillators) should be used on a person who has chosen "Do Not Attempt Resuscitation."

**Section B:**

- When comfort cannot be achieved in the current setting, the person, including someone with "Comfort Measures Only," should be transferred to a setting able to provide comfort (e.g., treatment of a hip fracture).
- IV medication to enhance comfort may be appropriate for a person who has chosen "Comfort Measures Only."
- Non-invasive positive airway pressure includes continuous positive airway pressure (CPAP), bi-level positive airway pressure (BiPAP), and bag valve mask (BVM) assisted respirations.
- Treatment of dehydration prolongs life. A person who desires IV fluids should indicate "Limited Interventions" or "Full Treatment."

### Reviewing POLST

It is recommended that POLST be reviewed periodically. Review is recommended when:

- The person is transferred from one care setting or care level to another, or
- There is a substantial change in the person's health status, or
- The person's treatment preferences change.

### Modifying and Voiding POLST

- A person with capacity can, at any time, void the POLST form or change his/her mind about his/her treatment preferences by executing a verbal or written advance directive or a new POLST form.
- To void POLST, draw a line through Sections A through D and write "VOID" in large letters. Sign and date this line.
- A health care decisionmaker may request to modify the orders based on the known desires of the individual or, if unknown, the individual's best interests.

### California Coalition for Compassionate Care

The Coalition is the lead agency for implementation of POLST in California. This form is approved by the Emergency Medical Services Authority in cooperation with the California Coalition for Compassionate Care and the statewide POLST Task Force.

For more information or a copy of the form, visit **www.finalchoices.org**.

**SEND FORM WITH PERSON WHENEVER TRANSFERRED OR DISCHARGED**

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A C H D
ASSOCIATION OF CALIFORNIA
HEALTHCARE DISTRICTS

November 30, 2010

John Halfen
Administrator
Northern Inyo Hospital
150 Pioneer Lane
Bishop, CA 93514

**Re: 2011 Statements of Director Duties and Responsibilities**

Dear Mr. Halfen,

We are enclosing the following documents in support of the consideration and possible adoption of a Statement of Director Duties and Responsibilities by the Board of Directors of the Northern Inyo Hospital:

1. Model Statement of Director Duties and Responsibilities
2. Draft Resolution adopting the Statement of Director Duties and Responsibilities
3. Draft Press Release
4. Copy of November 10, 2010 letter to all Directors re Statements of Director Duties and Responsibilities

As stated in our referenced letter of November 10, 2010, one common goal of the Statements of Director Duties and Responsibilities is strengthened Board cultures that emphasize the fiduciary duty and the public responsibilities of every Director. As noted, California law currently provides little regulation or guidance on effective District stewardship. However, as set forth in the basic Findings included in the draft Resolution, Health & Safety Code section 32104 provides the Board of Directors with statutory support for adopting a statement of director duties and responsibilities (or comparable similar resolution). The proposed Resolution cannot legally regulate the actions and conduct of District elected officials, but Directors who support a Resolution at a public meeting have created a strong cultural force for appropriate and professional behavior.

Every Health Care District should strongly consider a formal resolution affirming the commitment of its Board of Directors to ethical, active and responsible governance. ACHD will need to provide copies of these resolutions and necessary talking points to our supporters in the Legislature. The outspoken political desire in Sacramento for greater control over the operations of local government entities has *not* abated. ACHD's

legislative advocates report that several new Assembly members have already expressed their desire to "clean-up local government" as part of their own political image building.

In the reactionary environment of political reform, our friends and supporters in the Legislature – who can understand the risk of damaging our enterprise businesses through unwise regulation – will need every possible tool to shape appropriate exceptions for Health Care Districts. *We must act collectively and quickly.* The legislative bandwagon of political reform – once it gains even more popularity with both progressives and conservatives in the Legislature – will tolerate very few exceptions. *Health Care Districts and ACHD have a great deal of political work to do over the next several months.*

From our recent conversations with District Directors and senior managers, it appears that during January or February the great majority of Districts will consider adopting resolutions containing statements of director duties and responsibilities. *Please consider placing this issue on the agenda for the January 2011 meeting of your Board of Directors.* We invite your questions and comments (or those of District legal counsel) regarding the model Statement of Director Duties and Responsibilities, the draft Resolution or any of the materials from ACHD. Again, please call me personally at 916.769.3138 if you would like to discuss your District adopting a Statement of Duties or any other issue of concern.

Sincerely,

Ralph Ferguson
Chief Executive Officer

# MODEL STATEMENT OF DIRECTOR DUTIES AND RESPONSIBILITIES

for Health Care Districts

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prepared by

The Association of
California Health Care Districts

A·C·H·D

_____ Health Care District
2011 Statement of Director Duties and Responsibilities

The Board of Directors of the _____ Health Care District is committed to maintaining a governance culture founded on fiduciary duty and public responsibility. In support of this governance culture, the elected and appointed Directors of the _____ Health Care District (the "District") recognize and affirm their fiduciary duty to the District and their public responsibility to perform their duties as Directors in the best interests of the District. The Directors set forth their collective understanding and agreement regarding their duties and responsibilities in this 2011 Statement of Director Duties and Responsibilities, as follows:

1. The fiduciary duty of Directors to the _____ Health Care District includes the duty of loyalty and the duty of due care.

2. A Director's fiduciary duty of loyalty to the District requires each Director to make a good faith effort to:

    i. place the best interests of the District above the Director's own personal interests or personal point of view,

    ii. recognize that disrespectful, disruptive or unprofessional behavior of Directors in public meetings is never in the best interests of the District,

    iii. perform the functions of Director in a manner that demonstrates respect for the structure and governance of the Board and respect for other Directors,

    iv. provide the Board and other Directors with true and accurate information regarding District matters,

    v. respect the confidentiality of privileged information provided to Directors

3. A Director's fiduciary duty of due care to the District requires each Director make a good faith effort to:

    i. remain informed about the District's mission, strategic plan and operational performance,

    ii. ensure that the District has the necessary financial and human resources, including the necessary quality of leadership, required for the District to achieve its mission,

    iii. fully participate in the meetings, deliberations and decisions of the Board,

iv. timely review of Board meeting materials and other District communications.

4. The responsibility of Directors to perform their public duties in the best interests of the District requires each Director to demonstrate the highest standards of personal integrity and honesty, thus maintaining the public's trust and confidence in the functioning of the District.

5. The responsibility of Directors to perform their public duties in the best interests of the District requires each Director to make a good faith effort to:

   i. acquire and maintain the knowledge necessary to competently perform the duties of Director,

   ii. stay informed on public issues affecting the mission of the District,

   iii. comply with applicable provisions of the Ralph M. Brown Act in all proceedings of the District Board and its Committees,

   iv. provide appropriate transparency and candor in all public matters.

Model 2011 Statement of Director Duties and Responsibilities
Adopted by Board Resolution # _____ on January __, 20__

# DRAFT RESOLUTION OF THE

# BOARD OF DIRECTORS

Resolution adopting
Statement of Director Duties and Responsibilities

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prepared by

The Association of
California Health Care Districts

A · C · H · D
ASSOCIATION OF CALIFORNIA HEALTHCARE DISTRICTS

**Resolution of the Board of Directors**
**_____ Health Care District**

**Resolution No. _____**

At the regular meeting of the Board of Directors of the _____ Health Care District ("the District) in _____, California on_____, __, 2011, proper notice of the meeting having been provided and a quorum of the Board being present, and the Board having considered the materials submitted to the Board and the comments of the Directors and others, the Board of Directors finds and declares as follows:

## FINDINGS

**WHEREAS**, the Board of Directors of _____ Health Care District is committed to maintaining a governance culture founded on fiduciary duty and public responsibility. In support of this governance culture, the elected and appointed Directors of the _____ District recognize and affirm their individual fiduciary duty to the District and their public responsibility to perform their duties as Directors in the best interests of the District.

**WHEREAS**, California Health & Safety Code section 32104 provides that the Board of Directors of a Health Care District shall establish rules for its proceedings and may adopt such rules and regulations not inconsistent with law as may be necessary for the exercise of the powers conferred and the performance of the duties imposed upon the Board.

**WHEREAS**, the Board of Directors desires to adopt by this Resolution a Statement of Director Duties and Responsibilities that reflects the high standards of duty, responsibility and integrity that the Directors bring to the performance of all public duties and responsibilities.

## RESOLUTION

The Board of Directors of the _____ Health Care District, adopting each of the above Findings and the actions required therein, hereby resolves and declares as follows:

1. This Resolution No. _____ is the Statement of Director Duties and Responsibilities (herein also the "Statement of Director Duties") adopted by the Board of Directors of the _____ Health Care District for the 2011 calendar year. In adopting the Statement of Director Duties and Responsibilities, the members of the Board of Directors recognize their essential fiduciary duty to act in every circumstance in the best interests of the District. The fiduciary duty of Directors to the District is acknowledged to include both the duty of loyalty and the duty of due care.

2. A Director's fiduciary duty of loyalty to the District requires each Director to make a good faith effort to:

    i. place the best interests of the District above the Director's own personal interests or personal point of view,

    ii. recognize that disrespectful, disruptive or unprofessional behavior of Directors in public meetings is never in the best interests of the District,

    iii. perform the functions of Director in a manner that demonstrates respect for the structure and governance of the Board and respect for other Directors,

    iv. provide the Board and other Directors with true and accurate information regarding District matters,

    v. respect the confidentiality of privileged information provided to Directors.

3. A Director's fiduciary duty of due care to the District requires each Director make a good faith effort to:

    i. remain informed about the District's mission, strategic plan and operational performance,

    ii. ensure that the District has the necessary financial and human resources, including the necessary quality of leadership, required for the District to achieve its mission,

    iii. fully participate in the meetings, deliberations and decisions of the Board,

    iv. timely review Board meeting materials and other District communications.

4. The responsibility of Directors to perform their public duties in the best interests of the District requires each Director to demonstrate the highest standards of personal integrity and honesty, thus maintaining the public's trust and confidence in the functioning of the District.

5. The responsibility of Directors to perform their public duties in the best interests of the District requires each Director to make a good faith effort to:

    i. acquire and maintain the knowledge necessary to competently perform the duties of Director,

    ii. stay informed on public issues affecting the mission of the District,

    iii. comply with applicable provisions of the Ralph M. Brown Act in all proceedings of the District Board and its Committees,

    iv. provide appropriate transparency and candor in all public matters.

The 2011 Statement of Director Duties and Responsibilities
Approved and Adopted by Board Resolution # _____ on January __, 20__

# SAMPLE PRESS RELEASE

Health Care District Board

Adopts Statement of Director Duties

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prepared by

The Association of
California Health Care Districts

A · C · H · D
ASSOCIATION OF CALIFORNIA HEALTHCARE DISTRICTS

# Sample Press Release

**_____ Health Care District Board Adopts Statement of Director Duties**

At the January ____, 2011 meeting of The Board of Directors of the _____ Health Care District, the Board adopted a Statement of Director Duties and Responsibilities that requires the directors to demonstrate the highest standards of integrity and honesty in all public matters. The Statement of Director Duties recognizes the directors' duty to act in the best interests of the District regardless of their personal attitudes or political point of view. The directors agreed that unprofessional or disruptive behavior by directors in public meanings is never in the best interests of the District.

While not enforceable in court, the Statement of Director Duties and Responsibilities represents the formal agreement of the directors to be prepared for all meetings, remain informed, share accurate and important information with the Board, and assure quality leadership for the District. A representative of the District reported that health care districts throughout California are adopting similar resolutions in response to a public demand for more accountability and transparency in local government entities. Copies of the Resolution adopting the Statement of Director Duties and Responsibilities can be obtained from the Health Care District or from the District's website.

# COPY OF LETTER DATED NOVEMBER 10, 2010 TO ALL HEALTH CARE DISTRICT DIRECTORS REGARDING DIRECTOR DUTIES AND RESPONSIBILITIES

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prepared by Ralph Ferguson, CEO

The Association of
California Health Care Districts

November 10, 2010

John Halfen
Administrator
Northern Inyo Hospital
150 Pioneer Lane
Bishop, CA 93514

**Re: 2011 Statement of Director Duties and Responsibilities**

Dear John,

The results of the November 2010 General Election are essentially finalized and the large majority of Health Care District Directors who were seeking reelection have been returned to office. In the larger view of representing Districts, the return of a substantial number of experienced Directors is unquestionably a positive for Health Care Districts. There are few political offices in which knowledgeable governance and board functionality are so critical to the success of a public enterprise. The Directors of Health Care Districts operating acute care hospitals and the Directors of Health Care Districts operating extensive community programs have policy stewardship over significant business organizations. The public responsibilities of District Directors – assuring the business success of a vital enterprise - are recognized as different in kind from those of public officials.

Like the boards of directors of many successful private hospitals, our most effective Health Care Districts boards are characterized by a mix of governance stability and ongoing evolution. The Boards of Directors of more than twenty (20) Health Care Districts will be seating new Directors over the next few months. To almost every new Director, the work is surprisingly demanding. Their key responsibility is oversight of a complex public business. Unlike virtually every other public enterprise (education, public safety, infrastructure support), the business organizations of Health Care Districts often must operate in very competitive or geographically difficult markets. Tax support is often very limited. The forty-two (42) Health Care Districts operating hospitals rely almost entirely on their own business revenues to fund and continue their vastly important roles in the life of their communities.

Unfortunately, the Legislative response to the public outcry over the actions of local government officials in the City of Bell has been to challenge the independence of local public entities. However, due to the budget crisis and the Governor's travels at the end of the last Legislative session, several bills limiting the operational freedom of local

governmental entities were *not* signed into law. We anticipate that virtually all of these bills – and some even more undesirable - will be introduced again in the next Legislative session. Our shared goal must be to persuade Legislators that the boards of directors of Health Care Districts do not require additional supervision and limitation.

Fortunately, one element of the Association's new initiative on strengthening Board culture can provide tangible evidence of appropriate District governance. As addressed at the ACHD Annual Meeting in May 2010, Health Care Districts are now in the first post-election period during which every District Board can consider adopting annual Statements of Director Duties and Responsibilities ("Statements of Duties"). A copy of the model Statements of Duties (developed in a joint effort with our Districts) has been included with this letter for your consideration.

The common public goal of these Statements of Duties is to contribute to strong Board cultures that emphasize the fiduciary duty and the public responsibilities of every Director. California law currently provides little regulation or guidance on effective District stewardship. Accordingly, individual Health Care Districts can and (in this political environment) should adopt annual resolutions establishing the duties and responsibilities of Directors. In a time of openly anti-government attitudes, District Directors publically adopting and embracing duty, responsibility and integrity should be welcomed everywhere. The business enterprises operated by Health Care Districts are like any entrepreneurial venture, too much government regulation can be detrimental to its success or survival.

During the next week, ACHD will be sending the Chair or President of every District Board the model Statements of Duties adoption package, including a proposed annual Resolution for consideration by the entire Board. We invite your questions and comments regarding the model Statements of Duties or any of the other programs and initiatives of ACHD. Please call me personally at 800.424.2243 if you would like to discuss your District adopting a Statement of Duties or any other issue of concern.

Sincerely,

Ralph Ferguson
Chief Executive Officer

cc: Board of Directors, Northern Inyo Hospital

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# PHYSICIAN HOSPITALIST AGREEMENT

NORTHERN INYO COUNTY LOCAL HOSPITAL DISTRICT, a political subdivision organized and existing pursuant to the Local Hospital District Law (Health and Safety Code Section 32000, et seq.) of the State of California, hereinafter referred to as "District", and _____ agree as follows:

## PART I

## RECITALS

1. District is the owner and operator of a Hospital located in Bishop, California. As a community service, District conducts a Hospitalist Service, hereinafter referred to as "Service", to serve the members of the community and other persons who may require immediate medical and/or hospital service.

2. Physician is duly licensed under the laws of the State of California, and has experience in providing primary and intensive patient care.

3. District has concluded that engaging Physician is the most desirable course of action considering both the cost and quality of service, as compared to other arrangements and providers available to the District.

4. The parties to this agreement, in order to provide a full statement of their respective responsibilities in connection with the operation of the physician services during the term of this contract, desire to enter there into.

## PART II

## AGREEMENTS

**1. Space.** District shall make available for the use of Physician during the term hereof and during the hours hereinafter specified, the space that is now or may be hereafter occupied by the Service. District shall also provide Physician an appropriately furnished room, in which they may rest when their services are not otherwise required, together with meals while they are on duty.

**2. Equipment and Supplies.** District shall provide, at its own expense, for the use of Physician, all necessary expendable and non-expendable medical equipment, drugs, supplies, furniture and fixtures as are necessary for the efficient operation of the Service. District shall consult with Physician regarding decisions that affect the selection and furnishing of particular facilities, equipment and supplies.

3. **Maintenance**. District shall maintain and repair all equipment and shall provide utilities and services such as heat, water, electricity, telephone service, laundry and janitorial service.

4. **Physician Services.** In order to provide quality Hospitalist care on a prompt and continuing basis, available at all times at Hospital to the community, Physician agrees to provide the professional services of duly licensed Physician and surgeon in the Service 24 hours a day, seven days a week on a scheduled weekly basis (rotation). Said services are delineated, but are not limited to, on Schedule A of this agreement.

Physician shall respond to in-house emergencies in the same manner as other members of the Medical Staff, and shall make pronouncements of death when attending Physician is not immediately available.

Physician may be granted limited admitting privileges for patients without a private physician. Procedures, rules and regulations with respect to such privileges, and the obligations of Physician to make referrals to the "on-call" panel and other Physician and other matters related thereto, shall be as set forth in the Medical Staff-By-Laws, rules and regulations or as otherwise determined by the Medical Staff Executive Committee or the Hospitalist Service Committee if any with the approval of the Board of Directors.

5. **Standards**. It is understood and agreed that the standards of professional practice and duties of Physician shall from time to time be set by the Medical Staff of Hospital, and Physician shall abide by the by-laws, rules and regulations of the Medical Staff and Hospital policies. Further, Physician shall cause the Service to comply with those standards and requirements of the Joint Commission, Federal and State Law, and the California Medical Association, which relate to the Service over which Physician has control.

6. **Personnel**. District shall provide the services of licensed registered and vocational nurses and other non-physician technicians and assistants necessary for the efficient operation of the Service. Normal direction and control of such personnel for professional medical matters shall rest with Physician. The selection and retention of all non-physician personnel is the sole responsibility of District.

7. **District and Government Authorities**. Physician, in connection with the operation and conduct of the Service, shall comply with all applicable provisions of law, and other valid rules and regulations of the District's Board of Directors, its organized Medical Staff and all governmental agencies having jurisdiction over; (i) the operation of the District and services; (ii) the licensing of health care practitioners; (iii) and the delivery of services to patients of governmentally regulated third party payers whose members/beneficiaries receive care at the

District, including but not limited to rules and regulations promulgated with respect to the transfer of patients from the Hospitalist Service.

8. **Independent Contractor.** No relationship of employer or employee is created by this Agreement, it being understood that Physician will act hereunder as independent contractor, and that the Physician shall not have any claim under this Agreement or otherwise against District for vacation pay, sick leave, retirement benefits, Social Security, Worker's Compensation benefits, or employee benefits of any kind; that District shall neither have not exercise any control or direction over the methods by which physicians shall perform their work and functions, which at all times shall be in strict accordance with currently approved methods and practices in their field; and that the sole interest of District is to ensure that said Hospitalist service shall be performed and rendered in a competent, efficient and satisfactory manner and in accordance with the standards required by the Medical Staff of District. Physician is allowed to work for or have a private practice while providing services for Northern Inyo County Local Hospital District.

9. **Compensation.** Physician shall receive $7500 for each full rotation worked and any other premiums retroactively paid to other Hospitalists. Premium pay will be delineated in Schedule "B".

10. **Daily Memoranda and Billing.** District agrees to act as Physician's designated billing and collection agent. Physicians shall file with the Business Office of District periodic memoranda on forms agreed upon between the parties, covering services performed at the fees herein above mentioned and shall and does hereby assign the collection of said charges to District. Hospital's charges to the patient shall be separate and distinct from the charges by Physician; however, patient may be sent a billing, which includes a combined Hospital and Physician's charge. If the patient's billing includes such a combined charge, it must be clearly indicated that the charge includes Physician's professional component and that District is acting as billing agent for Physician's. Physician agrees to participate in all compliance efforts of Hospital.

Within 10 days of the receipt of an invoice or request for funding from the physician, the District shall present to Physician a check representing the payment for services rendered in the preceding month. Payments will be made on a monthly basis. Monthly payments shall be made by the Hospital to Physician before the 15th day of the month after which services are rendered.

Payment of all sums under this part shall be made to Physician at the following address:

_____MD

_____

_____

**11. Liability Insurance.** Physician agrees to procure and maintain, throughout the term of this Agreement, at his/her sole expense, a policy of professional liability (malpractice) insurance coverage with limits of at least $1,000,000 for any one occurrence, and $3,000,000 annual aggregate coverage per subcontracting physician. District agrees to cooperate with the Physician in connection with the purchase and maintenance of such coverage.

**12. Not Exclusive.** It is specifically agreed and understood that Physician shall not be required to, nor is it anticipated, that Physician will devote full time to District, it being understood that Physician may have additional enterprises and other Hospitalist or other service agreements. Nothing herein grants physicians exclusive rights to perform Hospitalist services for the District.

**13. Assignment.** Physician shall not assign, sell or transfer this Agreement or any interest therein without the consent of the District in writing first had and obtained. Notwithstanding any of the foregoing, it is understood and agreed that, in the event that Physician forms an alternative professional organization, duly authorized under the laws of this State to practice medicine, said alternative professional organization may be substituted in the place of Physician, with all of the rights and subject to all of the obligations of Physician under the terms of this Agreement. Said substitution shall be effected upon Physician giving written notice to District.

**14. Term.** The term of this Agreement shall be from _____ 2011 to _____.

In addition, Hospital may terminate this Agreement and all rights of Physician hereunder, without notice, immediately upon the occurrence of any of the following events:

1. Upon the failure of Physician to provide the services required to be provided by Physician for a period in excess of one (1) hour unless other acceptable coverage is arranged.

2. Upon a determination by a majority of Hospital's Board of Directors, after consultation with; the Executive Committee of the Medical Staff, that Physician, or any physician provided by Physician have been guilty of professional incompetence, have failed to maintain the Service in a manner consistent with the highest standards maintained for the operation of the Service in comparable hospitals, or are otherwise bringing discredit upon the Hospital or its Medical Staff in the community.

3. Immediately upon the appointment of a receiver of Physician's assets, as assignment by Physician for the benefit of its creditors or any action taken or suffered by Physician (with respect to Physician) under any bankruptcy or insolvency act.

**15. Amendment.** This Agreement may be amended at any time by written agreement duly executed by both parties.

**16. Attorney's Fees.** In the event that suit is brought regarding the provisions of this Agreement or the enforcement thereof, the prevailing party shall be awarded its cost of suit and reasonable attorney's fees as a part of any Judgment rendered therein.

**17. Liquidated Damages**. The Physician understands that the District will be damaged in the event that the Physician fails to fulfill the terms of this agreement and hereby agrees that such failure is worth $2500 a day. The Medical Executive Committee shall be the sole determiner of the existence of damages.

**18. Medical Records.** Physician shall in a timely manner, as determined by the District in its sole discretion prior to the billing process, prepare and maintain complete and legible medical records, which accurately document the professional service and medical necessity of all services rendered, for each patient who is treated at the Service. Such medical records shall be the property of Hospital; however, Physician shall have access to and may photocopy relevant documents and records, within the restrictions of the law, upon giving reasonable notice to Hospital.

**19. Accounts and Records.** Physician agrees to maintain books, records, documents, and other evidence pertaining to all costs and expenses incurred and revenues acquired under this Agreement to the extent and in such detail as will properly reflect all net costs direct and indirect, of labor, materials, equipment, supplies and services, and other costs and expenses of whatever nature for which payment or reimbursement is claimed. The Authorized Federal Office shall have access for the purpose of audit and examination to any books, documents, papers, and records of Physician, which are pertinent to this Agreement, at all reasonable times during the period of retention provided for in the following paragraph.

Physician shall preserve all pertinent records and books of accounts related to this contract in the possession of Physician for a period of four (4) years after the end of the contract period. Physician agrees to transfer to District upon termination of this Agreement any records which possess long-term value to District beyond four (4) years.

Physician shall remit charge tickets on records on a daily basis. Physician shall at the end of the rotation complete a "physician time study", attached.

Physician shall include a clause providing similar access in any subcontract with a value or cost of $10,000 or more over a twelve-month period when the subcontract is with a related organization.

**20. Notices.** The notices required by this Agreement shall be effective if mailed, postage prepaid as follows:

(a) To District at: 150 Pioneer Lane
Bishop, California 93514

(b) To Physician at: _____
_____

IN WITNESS WHEREOF, the parties hereto have executed this Hospitalist Care Agreement at Bishop, California on _____, 2011

**DISTRICT:**

NORTHERN INYO COUNTY LOCAL HOSPITAL DISTRICT

BY_____
John Halfen
Administrator

**PHYSICIAN:**

BY_____
_____, MD

## SCHEDULE A

1. Admit Patients as needed.
2. Round on in-patients as needed.
3. Assist with transfers as requested.
4. Complete charts as needed.
5. Educate Northern Inyo Hospital personnel as needed.
6. Attend Medical Staff, clinical, and nursing meetings as needed.

## SCHEDULE B

1. $50.00 PER DISCHARGE (NOT BETWEEN INPATIENT UNITS) PER ROTATION IN EXCESS OF 20 DISCHARGES.
2. $30 PER HOUR OF ON SITE COVERAGE IN EXCESS OF 8 HOURS/24 HOURS
3. $100.00 IF CHARGE TICKET(S) SUBMITTED BY NOON THE MONDAY FOLLOWING THE END OF THE ROTATION.
4.

# PHYSICIAN TIME STUDY

Provider: NORTHERN INYO HOSPITAL Physician: _____

Provider #: 05-1324 Department: _____ Account #: _____

Time Study Conducted From: _____ To: _____

**PLEASE PRINT.**

| ACTIVITY | Mon. / / | Tues. / / | Wed. / / | Thurs. / / | Fri. / / | Sat. / / | Sun. / / | TOTALS |
|---|---|---|---|---|---|---|---|---|
| **A. PROVIDER SERVICES** | | | | | | | | |
| **Supervision, or training of nurses, technicians, etc.** | | | | | | | | |
| **Utilization review, or other committees** | | | | | | | | |
| **Administration** | | | | | | | | |
| **Teaching** | | | | | | | | |
| **Supervision of Interns/Residents** | | | | | | | | |
| **Quality Control** | | | | | | | | |
| **Autopsies** | | | | | | | | |
| **Other, Specify:** _____ _____ _____ | | | | | | | | |
| **Other, Specify:** _____ _____ _____ | | | | | | | | |
| **Other, Specify:** _____ _____ _____ | | | | | | | | **WEEKLY TOTALS** |
| **TOTAL OF "A"** | | | | | | | | |
| **B. DIRECT MEDICAL & SURGICAL SERVICES TO INDIVIDUAL PATIENTS** | | | | | | | | |
| **C. NON-COVERED ACTIVITIES (E.G. Research)** | | | | | | | | |
| **DAIILY TOTALS** | | | | | | | | **GRAND TOTALS** |

I certify that this time study reflects a true and accurate record of my timer, as spent at the facility identified above, during the period indicated. To ensure accuracy, the time study was completed on a daily basis during the specified period of the time study.

Physician Signature: _____ Date: _____

THIS SHEET

INTENTIONALLY

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**NORTHERN INYO HOSPITAL**
**POLICY AND PROCEDURE**

| Title: Active Shooter Situation Response | |
|---|---|
| Scope: Hospital Wide | Department: |
| Source: Security/Safety | Effective Date: |

**PURPOSE:**
The objective of this plan is to provide guidance in the event an individual is actively shooting persons in the Hospital or on the Campus.

**POLICY:**
An Active Shooter is defined as a person or persons who appear to be actively engaged in killing or attempting to kill people in the Hospital or on the Hospital Campus. In most cases active shooters use a firearm(s) and display no pattern or method for selection of their victims. In some cases active shooters use other weapons and/or improvided explosive devices to cause addtiional victims and act as an impediment to police and emergency responders. These improvised explosive devices may detonate immediately, have delayed detonation fuses, or detonate on contact.

**PROCEDURE:**

1. The first employee to identify an active shooter situation:
    a. Should go away from the gunfire
    b. Call the Police, '2444' or '911' and call Hospital Security Personnel at 1-760-920-9332.
    c. Describe the situation to the Police. State the person(s) location and identity, if known, including: race, gender, age, build, clothing description, weapon(s) involved, as well as any known victims and injury information.
    d. Dial '2400' and tell the switchboard operatior to page 'Active Shooter' and location 3 times.
    e. At night, dial '71' and page 'Active Shooter' and location 3 times.
    f. In an 'Active Shooter' situation, all persons should go away from the gunfire and lock down in a safe room or leave the facility until the situation is stabilized and cleared by Law Enforcement.
    g. Evacuate patients, visitors and staff, only if safe to to so.

2. If an Active Shooter comes into an area where you are and enters your unit, office or meeting room, you should:
    a. Try and remain calm.
    b. Try not to do anything that will provoke the Active Shooter.
    c. If there is no possibility of escaping or hiding in a Safe Room, only as a last resort when your life is in imminent danger, should you make a personal choice to attempt to negotiate with or overpower the Shooter.
    d. If the Active Shooter leaves the area, barricade the room or if possible go to a safer location.

3. If you are at a location distant from the Active Shooter, such as on a different floor, unit, or you are not able to leave the area safely:
    a. Remain calm.
    b. Warn other staff, visitors and patients to take shelter in a Safe Room if possible.
    c. Lock and barricade doors and windows if necessar
    d. Turn off lights.

| Title: Active Shooter Situation Response | |
|---|---|
| Scope: Hospital Wide | Department: |
| Source: Security/Safety | Effective Date: |

e. Close blinds.
f. Turn off radios and silence cell phones or pagers.
g. Stay out of sight and take adequate cover behind solid walls, file cabinets or heavy equipment.
h. Have one person call 911 and state: "Northern Inyo Hospital" and give your exact location and state: "We have an Active Shooter in the Hospital, gunshots fired."
i. If you are in a safe locked down location don't move until Law Enforcement clears your area.

4. If you are in an outside area and encounter an Active Shooter, you should:
   a. Try and remain calm.
   b. Move away from the Active Shooter or the sounds of gunfire to a location far away and out of the line of sight from the Active Shooter on sound of gunfire.
   c. Call 911 and provide the information given above.

LAW ENFORCEMENT RESPONSE

1. What should I expect from responding Law Enforcement?

   a. The objectives of responding Law Enforcement Officers are:

      - Immediately engage or contain the Active Shooter in order to stop the killing.
      - Identify threats such as additional assailants and or improvised explosive devices.
      - Identify victims to facilitate medical care, interviews and counseling.
      - Investigate.

2. Police Officers responding to an Active Shooter are trained to proceed immediately to the area in which shots were last heard in order to quickly stop the shooting. The first responding officers may be in teams; they may be dressed in normal patrol uniforms, or they may be wearing external ballistic vests and Kevlar helmets or other tactical gear. The officers may be armed with rifles, shotguns and handguns.

3. Do exactly as Officers instruct. The first responding Officers will focus on stopping the Active Shooter and creating a safe environment for medical assistance to be brought to aid the injured.

HOW TO REACT WHEN LAW ENFORCEMENT ARRIVES AT YOUR LOCATION

A) Remain calm and follow Officers instructions.

B) Put down any items in your hands (i.e., bags jackets etc.)

C) Immediately raise hands and spread fingers.

D) Keep hands visible at all times.

E) Avoid making fast movements toward Officers such as holding on to them for safety.

F) Avoid pointing, screaming and/or yelling.

G) Do not stop to ask Officers for help or direction when evacuating, proceed in the direction from which Officers are entering the area.

PROVIDING INFORMATION TO LAW ENFORCEMENT IF KNOWN

A) Number of Active Shooters.

B) Description of the Active Shooter.

C) Background information on the Active Shooter or situation.

D) Type and number of weapons.

E) Number of victims and/or hostages.

F) Individuals still in the area.

G) Keys to all involved areas

H) Floor plan of Hospital.

I) Location of and number to phones in the area.

COORDINATION

1. This Policy has been coordinated with the Bishop Police Department.

a.

| **Committees to Approve** | |
|---|---|
| | |
| | |
| | |

Revised 00/00/00
Reviewed 00/00/00
Supercedes 00/00/00

# END